STATE OF NEVADA



Department of Conservation & Natural Resources

Brian Sandoval, Governor Kay Scherer, Interim Director David Emme, Administrator

November 7, 2016

U.S. Environmental Protection Agency EPA Superfund Docket Center Mail Code 28221T 1200 Pennsylvania Avenue NW Washington, DC 20460

RE: Docket EPA-HQ-OLEM-2016-0433 Anaconda Site, Lyon County Nevada

To whom it may concern:

This letter is submitted in comment to the proposed listing of the Anaconda Mine Site, located in Lyon County Nevada, on the Superfund National Priority List (NPL). The Anaconda Site is a 3,500 acre former copper mine that was operated on public and private land by the Anaconda Copper Company until 1978. Atlantic Richfield Company (ARC) acquired Anaconda and its assets. In 1988, Arimetco purchased the private land and subsequently constructed and operated lined heap leach operations until filing for bankruptcy in 1998 and abandoning the site in 2000. Since then, numerous interim actions were taken by the Nevada Division of Environmental Protection (NDEP) and EPA to manage process and draindown fluids associated with the former Arimetco operations to prevent releases; these fluids are currently being evaporated from double lined ponds. In parallel to this work, ARC under direction from EPA, has conducted extensive work to investigate the source and extent of contamination associated with the former Anaconda operations, including investigation of groundwater contamination immediately north of the mine site, provision for bottled water to affected domestic well owners and support for extension of City water supply lines to the affected area.

EPA has held ARC responsible for seven out of eight defined "operable units" at the site, including groundwater, and it is only the 250 acre Arimetco portion of the site that constitutes an "orphan share". Given that, the sole purpose in proposing to list the site on the NPL is to gain access to federal funds to address the Arimetco portion of the site, enabling capping and closure of the lined Arimetco heap leach pads and a permanent remedy to managing residual draindown fluids. The State has long viewed NPL listing as an option of last resort and has found that working cooperatively with private parties has typically led to more efficient and cost effective response actions. At the time of Governor Sandoval's March 29, 2016 letter providing conditional concurrence for listing the site on the NPL, no public-private alternative funding mechanism had been identified to address the Arimetco orphan share, despite intense efforts by the State, local entities and private parties. However, in his letter and in discussions with EPA, the Governor conditioned State concurrence with NPL listing with the understanding that the site could be deferred from NPL listing if an alternative funding mechanism was identified.

NDEP has been in recent discussion with ARC over potential deferral of the site to State oversight and agreement by ARC to voluntarily fund necessary work related to the Arimetco orphan share. In fact, NDEP and ARC have reached general consensus on funding sources and work commitments to address

the overall site including the Arimetco orphan share, provided an acceptable deferral agreement and other terms can be negotiated with EPA. We ask that EPA honor its commitment to work with the State related to the conditions in the Governor's letter and in particular to give fair consideration to a deferral agreement given recent developments. There is broad agreement in the community and between the State and EPA regarding the need for work to remedy the Arimetco portion of the site and to continue to address and remedy conditions resulting from the Anaconda operations. This work will occur regardless of who pays for the orphan share or which agency is in the lead. However, if private funding is available and acceptable terms for deferral can be negotiated it would make little sense to seek scarce public funds to address site issues.

Thank you for considering our comments regarding this matter.

Sincerely,

David Emme Administrator

Cc: Kay Scherer, Interim Director, Department of Conservation and Natural Resources Jeff Page, County Manager, Lyon County
Dan Newell, City Manager, City of Yerington
Alexis Strauss, Acting Regional Administrator, US EPA Region IX
Enrique Manzanilla, Director, Superfund Division, US EPA Region IX
John Ruhs, Nevada Director, Bureau of Land Management
Laurie Thom, Chairman, Yerington Paiute Tribe
Amber Torres, Chairman, Walker River Paiute Tribe